(b) if so, the reasons therefor; and

(c) how Government propose to improve its growth?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) and (b) Yes, Sir. The growth of the steel industry has been slower than expected due to the demand constraints and other factors, which include:

* Overall economic slow down in the country.
* Lack of investment by Government/private sectors in major infrastructure projects.
* Cost escalation in the input materials for iron and steel.
* Continuous reduction in import duty on iron and steel and hence greater competition from imports.
* Instances of dumping finished steel in the coountry.
* Adverse conditions in export markets for iron and steel.

(c) The Government has taken several steps to increase the production of steel, such as modernisation and expansion of public sector steel plants and adoption of various policy measures to encourage creation of additional steel production capacity in the private sector. Indian Steel Producers have also been taking steps to meet the domestic requirement of steel including up-gradation of technology, improvement in productivity, improvement in quality of products and adoption of an appropriate product-mix to suit the requirements of the consumers.

Mining by KIOCL

1849. SHRI JANARDHANA POOJARY: Will the Minister of STEEL be pleased to state:

(a) the details of the total investment made on Kudremukh Iron Ore Company Limited, Kudremukh, Karnataka, (KIOCL), the company's production, exports and the profit earned with Foreign Exchange components, during the last three years;

(b) whether it is a fact that the Hon'ble Supreme Court has ordered that mining should be carried out in Kudremukh by KIOCL only up to the end of 2005.

(c) whether it is also a fact that in order to utilise the existing infrastructure, KIOCL has proposed alternative mining site in Karnataka; and

(d) if so, the details in this regard?

THE MINISTERY OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) KIOCL has made a total investment of Rs. 1500 crores at Kudremukh and Managlore facilities. The company's production, exports, profit and foreign exchange earnings during the last three years were as under:

	2001-02	2000-01	1999-2000
Production (quantity in '000 Dry Metric Tonnes)			
Concentrates	5410	5000	5750
Pellets	3215	2737	3285
Exports (quantity in '000 Dry Metric tonnes			
Concentrates	2306	2136	2819
Pellets	3211	2686	3235
FE earnings (US $ millions)	150.884	127.162	143.096
Net Profit after Tax (in Rs. Crores)	88.37	58.50	58.51

(b) Yes, Sir.

(c) and (d) Yes, Sir. In view of the Hon'ble Supreme Court judgement which has permitted KIOCL to mine at Kudremukh only till end 2005, the company has renewed its efforts to secure alternate mining areas in Karnataka and Orissa. The company has identified the Ramanadurg deposits in Bellary-Hospet region as the most suitable alternate mining area. These deposits are spread over the area of 6.5 Sq. miles and consist of estimated 210 million tonnes of iron ore reserves. The company has already made a formal application for grant of mining lease to the Govt. of Karnataka.